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Serial No. 09/183,791



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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

**APPEAL FROM THE EXAMINER TO THE
BOARD OF PATENT APPEALS AND INTERFERENCES**

In re Application of: JACOVES, et al.
Serial No.: 09/183,791
Filing Date: October 30, 2003
Examiner: Hani M. Kazimi
Group Art Unit: 3624
Title:

**FUEL REWARD PROGRAM SYSTEM USING
BUNDLED DISCOUNT TRIGGERING ITEMS**

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May 3, 2004

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APPEAL BRIEF

Pursuant to 37 C.F.R. §1.192, Appellants appeal to the Board of Patent Appeals and Interferences from the decision of the Examiner mailed December 12, 2003 ("Office Action") rejecting Claims 63-88 in the above-identified patent application. Appellants filed a Notice of Appeal on March 2, 2004. Appellants respectfully submit this Appeal Brief, in triplicate, and a check in the amount of \$330.00 to cover the statutory filing fee.

REAL PARTY IN INTEREST

The present application was assigned to Fuel Partners, L.P., dba Fuel Marketing Solutions, as indicated by the assignment from the inventors to Fuel Partners, L.P., dba Fuel Marketing Solutions recorded October 30, 1998 in the Assignment Records of the United States Patent and Trademark Office at Reel 9561, Frame 0466.

RELATED APPEALS AND INTERFERENCES

There are no known appeals or interferences that will directly affect or be directly affected by or have a bearing on the Board's decision in this pending appeal.

STATUS OF CLAIMS

Claims 63-88 stand rejected pursuant to a Final Office Action mailed December 12, 2003. Claims 1-62 were previously cancelled. Claims 63-88 are presented for appeal.

STATUS OF AMENDMENTS

An Amendment After Notice of Appeal is being filed concurrent with this Appeal Brief. The Amendment After Notice of Appeal is submitted to correct two typographical errors. Claim 75 is amended to delete one of two periods (".") from Claim 75, and replace the period with a semicolon (";"). Claim 87 is amended to correct an improper Claim dependency. Claim 87 currently depends from previously cancelled Claim 12, and is amended to depend from Claim 86. Appellants respectfully contend that these claim amendments raise no new issues, and request that the Examiner enter the amendments.

Other than the claim amendments discussed above, Appellants have not amended any claims since the Office Action mailed December 12, 2003.

SUMMARY OF INVENTION

The present invention contemplates a method for providing a discount to a purchaser of a consumable good (e.g., gasoline). *Page 7, lines 1-25, Figure 8.* In accordance with a particular embodiment of the present invention, a first discount on the price-per-unit of a consumable good is awarded to a purchaser of a first cross-marketing product. *Page 4, lines 1-14.* Similarly, a second discount on the price per unit of the consumable good is awarded to the purchaser, in response to the purchase of a second cross-market product. *Id.* The first and second discounts are added to determine the total discount, and the total discount is awarded to the purchaser. *Id.*

An example of the operation of a particular embodiment of the present invention is included below. A supermarket may offer a reward program that offers a discount on the price of gas that a user will be charged at a participating gas station, in response to the purchase of cross-marketed products. *Page 16, line 19 through Page 18, line 7.* If a customer purchases Brand X Bread, the customer is entitled to a \$0.03/gallon discount on the price of gasoline at the gas station. *Id.* If the user purchases Brand Y Milk, the customer is entitled to a \$0.02/gallon discount. At checkout, the \$0.02/gallon discount and the \$0.03/gallon discount are added for a total discount of \$0.05/gallon, and the customer is given a coupon that entitles the customer to a discount of \$0.05/gallon on the purchase of gasoline. *Id.*

STATEMENT OF THE ISSUES

1. Whether Claims 63-65, 74, 75, 77 and 78 are directed to non-statutory subject matter under 35 U.S.C. §101.
2. Whether Claims 63-88 are unpatentable under 35 U.S.C. §103(a) over European Patent No. 0 511 463 A2 to Greer et al. ("Greer") in view of U.S. Patent No. 6,112,981 to McCall ("McCall").

GROUPING OF CLAIMS

Appellants have made an effort to group claims to reduce the burden on the Board. Appellants have concluded that the claims can be grouped together as follows:

1. Group 1 includes Claims 63 and 80;
2. Group 2 includes Claims 64, 74-76, 82-84, 86 and 88;
3. Group 3 includes Claims 65-69, 81, 85 and 87;
4. Group 4 includes Claims 70;
5. Group 5 includes Claims 71-73, 78 and 79; and
6. Group 6 includes Claims 77.

ARGUMENTS

The rejection of Claims 63-88 as unpatentable under 35 U.S.C. §103 over *Greer* in view of *McCall* is improper and should be withdrawn. The rejection of Claims 63-65, 74, 75, 77 and 78 as unpatentable under 35 U.S.C. §101 is improper and should be withdrawn.

Appellants note first that Claims 64, 65, 68, 71-73, 75-77, 79, 81, 83, 86 and 87 of the present application were copied verbatim from U.S. Patent No. 6,332,128 to Nicholson (the “‘128 Patent”) (Claims 1, 3, 6, 9-11, 13-15, 18, 22, 12 and 14, respectively). Furthermore, Claims 74 and 83 of the present application were substantially copied from Claims 12 and 24 of the ‘128 Patent. The ‘128 Patent was filed after the present application. Accordingly, references that are used to reject claims of the present application are presumably applicable to the ‘128 Patent.

Nonetheless, the Office Action rejects each of these claims based upon references that were available to the U.S. Patent and Trademark Office (“PTO”) during the pendency of the ‘128 Patent. In fact, the *Greer* reference was cited by the Examiner during the pendency of the ‘128 Patent, and presumably considered by the Examiner prior to issuing the ‘128 Patent. In other words, it is the position of the PTO that the invention of the present application is patentable to a third party with a priority date substantially after Appellants’ filing date, but the invention is not patentable to Appellants.

Also, of the copied and substantially copied claims, Claims 64, 65, 74, 75, and 77 are rejected under 35 U.S.C. §101. Appellants presume that the PTO deemed the '128 Patent as directed to statutory subject matter, before issuing the '128 Patent.

It is apparent that the PTO believes that it erred when it issued the '128 Patent. However, Appellants are unaware of any steps taken by the PTO to correct this error. In fact the PAIR database that is maintained by the PTO continues to list the status of the '128 Patent as "Patented" and there is no indication that the PTO has ordered a reexamination or other proceeding to revoke the '128 Patent. Thus, the conduct of the PTO has left Appellants in an unprecedented position in which a third party that filed an application substantially after Appellants, can prevent Appellants from practicing its own invention.

A. Rejections Under 35 U.S.C. §101

The Office Action rejects Claims 63-65, 74, 75, 77 and 78 as unpatentable under 35 U.S.C. §101. Of these, Claims 63, 64, 74, 75, 77, and 78 are each independent. Appellants respectfully traverse the rejection of Claims 63-65, 74, 75, 77 and 78 under 35 U.S.C. §101 for the reasons described below.

The Office Action contends that the above referenced claims are directed to non-statutory subject matter because they:

“do not claim technological basis in the pre-amble of the body of the claim. Without a claimed basis, the claim may be interpreted in an alternative as involving no more than a manipulation of an abstract idea and therefore non-statutory under 35 U.S.C. §101.” *See Office Action, Page 3.*

Appellants respectfully contend that the Examiner has misinterpreted the statutory subject matter requirement of 35 U.S.C. §101. More specifically, the Examiner contends that simply because the claim “may be interpreted in alternative as involving no more than a manipulation of an abstract idea”, then the subject manner is non-statutory. In contrast, Appellants respectfully contend that the claims are directed to statutory subject matter if any interpretation of the claims involves a “new and useful process, machine, manufacture, or

composition of matter, or any new and useful improvement thereof.” See *M.P.E.P 706.03(a)*, entitled *Rejections Under 35 U.S.C. §101*.

Claim 63 is directed to a method for discounting a price-per-unit of a consumable good that includes determining first and second discounts on a price-per-unit of a consumable good, in response to the purchase, by a customer, of first and second preselected products, respectively. The first and second discounts are added to determine a total discount on the price-per-unit of the consumable good. Thus, Claim 63 recites a process step that provides a tangible, concrete and useful result. Therefore, the method claims a practical application and is statutory. See *M.P.E.P 2106 IV(B)(2)(b)*.

Claim 64 is directed to a method of providing multiple discounts on a price-per-unit of a consumable good that includes awarding a first discount on the price-per-unit of the consumable good to a customer, and awarding a second discount on the price-per-unit of the consumable good to the customer. The first and second discounts are added to determine a total discount, and the total discount is awarded to the customer. Thus, Claim 64 recites a process step that provides a tangible, concrete and useful result. Therefore, the method claims a practical application and is statutory. See *M.P.E.P 2106 IV(B)(2)(b)*.

Claim 65 depends from and incorporates all the limitations of Claim 64. Therefore, Appellants respectfully contend that Claim 65 is directed to statutory subject matter for example, for the same reasons discussed above with regards to Claim 64.

Claims 74, 75, 77, and 78 each include process steps that provide a tangible, concrete and useful result. For example, Claim 74 recites “awarding a first discount . . . to the customer . . . issuing a coupon to the customer . . . storing the first discount in a discount granted database . . . retrieving the first discount from the discount issued database; and reducing the PPU of the consumable good by the first discount.” Claim 75 includes the limitations “awarding a first discount to the customer . . . issuing a coupon to the customer . . . storing the first discount in a discounts granted database . . . retrieving the first discount from the discounts issued database . . . reducing the PPU of the consumable good by the first

discount . . . awarding a second discount to the customer . . . ; and adding the first discount to the second discount to determine a total discount.” Claims 77 and 78 include similar limitations that provide tangible, concrete and useful results. Therefore, the methods of Claims 74, 75, 77 and 78 also claim practical applications, and are statutory. *See M.P.E.P. 2106 IV(B)(2)(b)*.

B. Rejections Under 35 U.S.C. §103

1. Legal Standard of Obviousness – 35 U.S.C. §103

In order to establish a *prima facie* case of obviousness, three requirements must be met: (1) there must be some suggestion or motivation, either in the references themselves or in the knowledge available to one skilled in the art, to modify a reference or combine multiple references; (2) there must be a reasonable expectation of success; and (3) the prior art reference (or combination of references) must teach or suggest all of the claim limitations.¹

The determination of whether an invention is obvious in view of prior art considers “if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which the subject matter pertains.”² The fact that a prior art device could be modified so as to produce the claimed invention is not a basis for an obviousness rejection unless the prior art suggested the desirability of such a modification.³

Furthermore, obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching, suggestion, or incentive supporting the combination.⁴ The M.P.E.P. sets forth a strict legal standard for finding obviousness based on a combination of references. According to the M.P.E.P., “Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either explicitly or implicitly in the references themselves or in the knowledge [that was]

¹ M.P.E.P. § 2143.

² 35 U.S.C. § 103.

³ *See In re Gordon*, 733 F.2d 900, 221 U.S.P.Q. 1125 (Fed. Cir. 1984).

⁴ *See Carella v. Starlight Archery*, 804 F.2d 135, 231 U.S.P.Q. 644 (Fed. Cir. 1986).

generally available to one of ordinary skill in the art” at the time of the invention.⁵ The “fact that references can be combined or modified does not render the resultant combination [or modification] obvious unless the prior art also suggests the desirability of the combination” or modification.⁶

The governing Federal Circuit case law makes this strict legal standard even more clear.⁷ According to the Federal Circuit, “a showing of a suggestion, teaching, or motivation to combine . . . prior art references is an essential component of an obviousness holding.”⁸ “Evidence of a suggestion, teaching, or motivation . . . may flow from the prior art references themselves, the knowledge of one of ordinary skill in the art, or, in some cases, the nature of the problem to be solved.”⁹ However, the “range of sources available . . . does not diminish the requirement for actual evidence.” *Id.* In *In re Dembiczak*, the Federal Circuit reversed a finding of obviousness by the Board of Patent Appeals and Interferences, explaining that proper evidence of a teaching, suggestion, or motivation to combine is essential to avoid impermissible hindsight reconstruction of an applicant's invention:

Our case law makes clear that the best defense against the subtle but powerful attraction of hind-sight obviousness analysis is *rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references*. Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor's disclosure as a blueprint for piecing together the prior art to defeat patentability—the essence of hindsight.

175 F.3d at 999 (quoting *W.L. Gore & Assoc., Inv. v. Garlock, Inc.*, 721 F.2d 1540, 1553 (Fed. Cir. 1983)) (emphasis added) (citations omitted).¹⁰ Even a determination that it would

⁵ M.P.E.P. 2143.01.

⁶ *Id.* (emphasis in original).

⁷ Note M.P.E.P. 2145(X)(C) (“The Federal Circuit has produced a number of decisions overturning obviousness rejections due to a lack of suggestion in the prior art of the desirability of combining references.”).

⁸ *In re Sang-Su Lee*, 277 F.3d 1338, 1343 (Fed. Cir. 2002) (quoting *Brown & Williamson Tobacco Corp. v. Philip Morris Inc.*, 229 F.3d 1120, 1124-25 (Fed. Cir. 2000)).

⁹ *In re Dembiczak*, 175 F.3d 994, 999 (Fed. Cir. 1999).

¹⁰ See also *In Re Jones*, 958 F.2d 347, 351 (Fed. Cir. 1992) (“Conspicuously missing from this record is any evidence, other than the PTO’s speculation (if that can be called evidence) that one of ordinary skill in the herbicidal art would have been motivated to make the modification of the prior art salts necessary to arrive at” the claimed invention.).

have been obvious to one of ordinary skill in the art at the time of the invention to try the proposed combination is not sufficient to establish obviousness.¹¹

Furthermore, speculation in hindsight that “it would have been obvious” to make the proposed combination because the proposed combination would be helpful is insufficient under the M.P.E.P.¹² and governing Federal Circuit case law.¹³ In addition, “[a] prior art reference must be considered in its entirety, i.e., as a whole, including portions that would lead away from the claimed invention.”¹⁴ Moreover, if a “proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims *prima facie* obvious.”¹⁵

2. Greer and McCall are an improper combination.

The Office Action relies upon the combination of *Greer* and *McCall* in the rejection of all pending claims (i.e., 63-88). More specifically, the Office Action relies upon the teachings of *McCall* to establish that the “discount is based on a Price Per Unit (PPU).” However, *Greer* expressly teaches away from the combination suggested by the Office Action.

¹¹ See *In re Fine*, 837 F.2d 1071, 1075 (Fed. Cir. 1988).

¹² See M.P.E.P. § 2145(X)(C) (“The Federal Circuit has produced a number of decisions overturning obviousness rejections due to a lack of suggestion in the prior art of the desirability of combining references.”)

¹³ For example, in *In re Dembiczak*, 175 F.3d 994 (Fed. Cir. 1999), the Federal Circuit reversed a finding of obviousness by the Board of Patent Appeals and Interferences, explaining that evidence of a suggestion, teaching, or motivation to combine is essential to avoid impermissible hindsight reconstruction of an applicant’s invention:

Our case law makes clear that the best defense against the subtle but powerful attraction of hind-sight obviousness analysis is *rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references*. Combining prior art references without evidence of such a suggestion, teaching, or motivation simply takes the inventor’s disclosure as a blueprint for piecing together the prior art to defeat patentability—the essence of hindsight.

175 F.3d at 999 (quoting *W.L. Gore & Assoc., Inc. v. Garlock, Inc.*, 721 F.2d 1540, 1553 (Fed. Cir. 1983)) (emphasis added) (citations omitted). See also *In Re Jones*, 958 F.2d 347 (“Conspicuously missing from this record is any evidence, other than the PTO’s speculation (if that can be called evidence) that one of ordinary skill in the herbicidal art would have been met motivated to make the modification of the prior art salts necessary to arrive at [the claimed invention].”).

¹⁴ *W.L. Gore & Assoc., Inc. v. Garlock, Inc.*, 721 F.2d 1540, 220 U.S.P.Q. 303 (Fed. Cir. 1983), *cert. denied*, 469 U.S. 851 (1984); see also M.P.E.P. § 2141.02.

¹⁵ MPEP §2143.01.

McCall is directed to a system and method to adapt a fuel dispenser and related facilities to accept bar coded cards in addition to or instead of magnetic strip cards. See *McCall, Abstract, lines 1-4*. In contrast, *Greer* specifically teaches away from the use of such cards, and contends that “it would benefit consumers, retailers and manufacturers if there were some way to automatically reward the purchase of a variety of products, to permit a large number of customers to participate without signing up for discount clubs or identification cards . . . the present invention satisfied all these needs.” See *Greer, Column 2, lines 10-19*. Thus the combination of *Greer* and *McCall* is improper, as described more fully below.

The Office Action relies upon Column 6, lines 20-65 and Figures 5 and 6 of *McCall* as disclosing a discount that is based upon the price-per-unit of gasoline. See *Office Action, page 5, second full paragraph*. Example C at lines 20-31 is the only reference to providing a price-per-unit discount on gasoline. However, the example requires that the customer obtains and uses a bar coded card to obtain the discount. This is true because the card entitles the customer to a certain “‘member’ status (e.g., the customer is eligible for certain benefits).” See *McCall, Column 6, lines 20-32*.

In order for the customer to obtain a price-per-unit discount, the customer must be a member of a particular rewards program and carry a card that identifies the customer as such. This is precisely what *Greer* seeks to avoid. For example, according to *Greer*:

Retailers have been trying various marketing strategies to gain customer loyalty and continuity. One approach is to issue identification cards to customers and to reward a customer based on frequency of use of the card. Difficulties with this type of scheme are customer resistance to obtaining, carrying and using the card, and overhead costs in signing up customers and making the cards. See *Greer, Column 1, lines 46-54*.

3. Claim 77 (Group 6) is patentable over *Greer* in view of *McCall*.

The Office Action relies upon *McCall* as teaching “the steps of storing in a database a maximum and a minimum number of gallons to which the discount applies (Figures 5-6, and Column 6, lines 20-65).” See *Office Action, Page 5*. However, such teaching is entirely absent from *McCall*. Appellants respectfully request that the Examiner provide the column

and line number of *McCall*, upon which the Examiner relies upon as teaching “the steps of storing in a database a maximum and a minimum number of gallons to which the discount applies” in order for Appellants to address its potential application (or lack thereof) to the teachings of *Greer* and/or the present invention.

Claim 77 is directed to a method of providing multiple level discounts on gasoline to a customer who purchases at least one cross-marketed product. The method includes, among other things, awarding to a customer first and second discounts on the price-per-unit-volume of gasoline, in response to a purchase by the customer of first and the second cross-marketed products, respectively. The method further includes storing, in a discounts granted database, a maximum number of gallons to which the discount applies. A minimum purchase of gasoline required in order to qualify for the discount is stored in the discounts granted database. Portions of the discount redeemed are allocated to vendors of the first and second cross-marketed products according to predetermined criteria. Neither *Greer*, nor *McCall* alone or in combination, disclose, teach, or suggest each of these limitations.

For example, as discussed above, the Office Action erroneously relies upon *McCall* as teaching that a maximum number of gallons and minimum purchase of gasoline are stored in a discounts granted database. Such a teaching is entirely absent from *McCall*. Furthermore, neither *Greer*, nor *McCall* contemplate “allocating portions of the discount redeemed to vendors of the first and second cross-marketed products”, as required by Claim 77. The Office Action is silent as to this limitation. For at least these reasons, Appellants respectfully contend that Claim 77 is patentably distinguishable from *Greer* in view of *McCall*.

4. **Claims 71, 78, and 79 (Group 5) are patentable over *Greer* in view of *McCall*.**

Claims 71 includes the limitations of “storing, in the discounts issued database, a maximum number of gallons of gasoline to which the discount applies; and storing, in the discounts issued database, a minimum purchase of gasoline required in order to qualified for the discount.” Similarly, Claim 78 includes the limitations “storing, in the discounts granted

database, a maximum number of volume of units of gasoline to which the discount is applied” and “storing, in the discounts granted database, a minimum purchase of gasoline required in order to qualify for the discount.” As discussed above, the Office Action erroneously relies upon McCall as teaching these limitations. However, these limitations are entirely absent from McCall. For at least these reasons, Appellants respectfully contend that Claims 71 and 78 are patentably distinguishable from Greer in view of McCall.

Claim 79 depends from 78, and incorporates all limitations thereof. Therefore, Appellants respectfully contend the Claim 79 is patentably distinguishable from Greer in view of McCall for example, for the same reasons discussed above with regard Claim 78.

5. Claim 70 (Group 4) is patentable over Greer in view of McCall.

Claim 70 is directed to a method of providing multiple level discounts that includes “scanning a unique customer identification and transaction identifier from an encoded barcode with a barcode scanner at a gasoline dispenser.” A customer is requested to enter personal identification number (PIN) and the PIN is verified prior to reducing the price-per-unit-volume of the gasoline on the gasoline dispenser. The Office Action fails to address these limitations in the rejection of Claim 70. However, Appellants respectfully contend that neither Greer nor McCall, alone or in combination, disclose, teach, or suggest each of these limitations. To the extent that the Examiner intends to rely upon Greer and McCall in the rejection of Claim 70, Appellants respectfully request the Examiner provide a citation to the portions of such references upon which the Examiner intends to rely, in the response of the Examiner’s Answer. Otherwise, Appellants respectfully request full allowance of Claim 70.

6. Claims 65-69, 81, 85, and 87 are patentable over Greer in view of McCall.

Claim 65 is directed to a method of providing multiple level discounts on price per unit of gasoline, to a customer who purchases a plurality of cross-marketed products. The customer is awarded first and second discounts on the PPU of gasoline in response to a purchase by the customer of first and second cross-marketed products, respectively. The first and second discounts are added to determine a total discount on the PPU of the gasoline, and the total discount is awarded to the customer.

The Office Action relies upon combination of Greer and McCall as teaching each of these limitations. However, as discussed above, the combination of Greer and McCall that is proposed by the Office Action is improper. For the reasons discussed above, Greer explicitly teaches away from those portions of McCall that the Office Action relies upon in the rejection of Claim 65. For at least these reasons, Appellants respectfully contend that Claim 65 is patentably distinguishable from Greer in view of McCall.

Claims 66-69 each depend, either directly or indirectly, from Claim 65. Therefore, Appellants respectfully contend that each of Claims 66-69 are patentably distinguishable from Greer in view of McCall for example, for the same reasons discussed above with regard Claim 65.

Claims 81, 85, and 87 each include similar limitations that require the award of a discount on a PPU of gasoline, in response to the purchase by a customer of cross-marketed products. Therefore, for the same reasons relied upon with regard to Claim 65, Appellants respectfully contend that Claims 81, 85, and 87 are each patentably distinguishable from Greer in view of McCall.

7. **Claims 64, 74-76, 82-84, 86 and 88 are patentable over Greer in view of McCall.**

Claim 64 is directed to a method of providing multiple level discounts on a PPU of a consumable good sold in multiple units to a customer who purchases a plurality of cross-marketed products. First and second discounts are awarded to the customer in response to the purchase of first and second cross-marketed products, respectively. The first and second discounts are added to determine a total discount, and the total discount is awarded to the customer. As discussed above, the Office Action erroneously relied upon an improper combination of Greer and McCall in order to obviate the award of the total discount on the PPU of a consumable good to a customer, in response to the purchase of cross-marketed products. Therefore, Appellants respectfully contend that Claim 64 patentably distinguishable from Greer in view of McCall.

Claims 74-76, 82-84, 86 and 88 each include similar limitations that require that a customer is awarded a total discount on a PPU of a consumable good, in response to the purchase of first and second products by the customer. Therefore, for the same reasons discussed above with regard to claim 64, Appellants respectfully contend that Claims 74-76, 82-84, 86 and 88 are each patentably distinguishable from Greer in view of McCall.

8. Claims 63 and 80 (Group 1) are patentable over *Greer* in view of *McCall*.

Claims 63 and 80 are directed to a method and system, respectively, that require that first and second discounts on a PPU of a consumable good are determined, in response to the purchase of first and second products, respectively. The first and second discounts are added to determine a total discount of the PPU of the consumable good. For similar reasons discussed above with regard to Claim 64, Appellants respectfully contend that the Office Action erroneously relied upon an improper combination of *Greer* and *McCall* in the rejection of Claims 63 and 80. Therefore, Appellants respectfully contend that each of Claims 63 and 80 are patentably distinguishable from *Greer* in view of *McCall*.

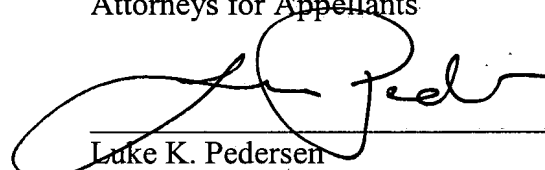
CONCLUSION

Appellants have demonstrated that the present invention as claimed is patentable to Appellants. Therefore, Appellants respectfully request the Board of Patent Appeals and Interferences to reverse the rejection of the Examiner and instruct the Examiner to issue a notice of allowance of all claims.

A check in the amount of \$330.00 is attached to cover the statutory filing fee. Although no other fee is believed to be due, the Commissioner is hereby authorized to charge any fees or credit any overpayments to Deposit Account No. 02-0384 of Baker Botts, L.L.P.

Respectfully submitted,

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Enclosures: Appendix A – Claims on Appeal

APPENDIX A – CLAIMS ON APPEAL

63. A method for discounting a price-per-unit (PPU) of a consumable good, comprising:

determining a first discount on a PPU of a consumable good in response to a first purchase, by a customer, of a first preselected product;

determining a second discount on the PPU of the consumable good in response to a second purchase, by the customer, of a second preselected product; and

adding the first discount to the second discount to determine a total discount on the PPU of the consumable good.

64. A method of providing multiple level discounts on a price-per-unit (PPU) of a consumable good sold in multiple units to a customer who purchases a plurality of cross-marketed products, said method comprising the steps of:

awarding a first discount on the PPU of the consumable good to the customer in response to a purchase by the customer of a first cross-marketed product;

awarding a second discount on the PPU of the consumable good to the customer in response to a purchase by the customer of a second cross-marketed product;

adding the first discount to the second discount to determine a total discount on the PPU of the consumable good; and

awarding the total discount to the customer.

65. The method of providing multiple level discounts of claim 64 wherein the consumable good is gasoline, and the first, second, and total discounts are discounts on the price-per-unit-volume of gasoline.

66. The method of providing multiple level discounts of claim 65, further comprising:

issuing an electronic coupon to the customer, said coupon providing a unique customer identification and a unique transaction identifier; and

storing the total discount in a discounts granted database which associates the total discount with the unique customer identification and transaction identifier.

67. The method of providing multiple level discounts of claim 66 wherein the electronic coupon is selected from the group consisting of:

a paper receipt with the unique customer identification and transaction identifier encoded in a bar code imprinted thereon;

a paper receipt with the unique customer identification and transaction identifier encoded in a code number imprinted thereon;

a credit card with the unique customer identification and transaction identifier magnetically encoded thereon; and

a smart card.

68. The method of providing multiple level discounts of claim 67, further comprising the steps of:

inputting the electronic coupon by the customer for redemption at a gasoline station; and

reducing on a gasoline dispenser, the price-per-unit-volume of the gasoline by an amount equal to the total discount prior to the customer dispensing the gasoline.

69. The method of providing multiple level discounts of claim 68 wherein the step of inputting the electronic coupon by the customer for redemption at a gasoline station includes scanning the unique customer identification and transaction identifier from the encoded bar code with a bar code scanner at a gasoline dispenser, and the method further comprises, after scanning the encoded bar code, the steps of:

- associating the unique customer identification and discount identification with the total price-per-unit discount stored in the discounts granted database; and
- retrieving the total price-per-unit discount from the discounts granted database.

70. The method of providing multiple level discounts of claim 69, further comprising, after the step of scanning the unique customer identification and transaction identifier from the encoded bar code, the steps of:

- requesting the customer to enter a personal identification number (PIN); and
- verifying the PIN prior to reducing the price-per-unit-volume of the gasoline on the gasoline dispenser.

71. The method of providing multiple level discounts of claim 69, further comprising, after the step of storing the total discount in a discounts issued database, the steps of:

- storing, in the discounts issued database, a maximum number of gallons of gasoline to which the discount applies; and
- storing, in the discounts issued database, a minimum purchase of gasoline required in order to qualify for the discount.

72. The method of providing multiple level discounts of claim 71, further comprising the steps of:

- determining a value of the total discount redeemed;
- verifying that the value of the total discount redeemed is less than or equal to the maximum discount allowed; and
- verifying that the amount of gasoline purchased is greater than or equal to the minimum purchase required to qualify for the discount.

73. The method of providing multiple level discounts of claim 72, further comprising the steps of:

storing the value of the discount redeemed in a discounts redeemed database; and
allocating portions of the discount redeemed to vendors of the first and second cross-marketed products according to predetermined criteria.

74. A method of providing a discount on a price-per-unit (PPU) of a consumable good sold in multiple units to a customer who purchases at least one cross-marketed product, said method comprising the steps of:

awarding a first discount on the PPU of the consumable good to the customer in response to a purchase by the customer of a first cross-marketed product;

issuing a coupon to the customer, said coupon providing a customer identification and a transaction identifier;

storing the first discount in a discounts granted database which associates the first discount with the customer identification and the transaction identifier;

inputting by the customer in a subsequent transaction, the customer identification and the transaction identifier;

retrieving the first discount from the discounts issued database; and

reducing the PPU of the consumable good by the first discount.

75. A method of providing a discount on a PPU of a consumable good -comprising the steps of:

awarding a first discount on the PPU of the consumable good to the customer in response to a purchase by the customer of a first cross-marketed product;

issuing a coupon to the customer, said coupon providing a customer identification and a transaction identifier;

storing the first discount in a discounts granted database which associates the first discount with the customer identification and the transaction identifier;

inputting by the customer in a subsequent transaction, the customer identification and the transaction identifier;

retrieving the first discount from the discounts issued database; and

reducing the PPU of the consumable good by the first discount.

awarding a second discount on the PPU of the consumable good to the customer in response to a purchase by the customer of a second cross-marketed product; and

adding the first discount to the second discount to determine a total discount on the PPU of the consumable good.

76. The method of providing a discount on a PPU of a consumable good of claim 74 wherein the first product is gasoline, and the discount amount is a discount on the price-per-unit-volume of gasoline.

77. A method of providing multiple level discounts on gasoline to a customer who purchases at least one cross-marketed product, said method comprising the steps of:

- awarding to the customer, a first discount on the price-per-unit-volume of the gasoline in response to a purchase by the customer of a first cross-marketed product;

- awarding to the customer, a second discount on the price-per-unit-volume of the gasoline in response to a purchase by the customer of a second cross-marketed product;

- adding the first discount to the second discount to determine a total discount on the price-per-unit-volume of the gasoline;

- printing a paper receipt for the customer with a customer identification and a transaction identifier encoded in a bar code thereon;

- storing the total discount in a discounts granted database;

- storing, in the discounts granted database, a maximum number of gallons to which the discount applies;

- storing, in the discounts granted database, a minimum purchase of gasoline required in order to qualify for the discount;

- scanning the encoded bar code with a bar code scanner at a gasoline dispenser;

- verifying the discount scanned from the bar code by comparing the scanned discount with the stored discount in the discounts granted database;

- reducing, by the gasoline dispenser, the price-per-unit-volume of the gasoline by an amount equal to the total discount;

- determining a value of the total discount redeemed;

- verifying that the value of the total discount redeemed is less than or equal to the maximum discount allowed;

- verifying that the amount of gasoline purchased is greater than or equal to the minimum purchase required to qualify for the discount;

- storing the value of the discount redeemed in a discounts redeemed database; and

- allocating portions of the discount redeemed to vendors of the first and second cross-marketed products according to predetermined criteria.

78. A method of providing a price-per-unit-volume discount on gasoline to a customer who purchases a cross-marketed product in a sales transaction, said method comprising the steps of:

awarding the price-per-unit-volume discount to the customer in response to a purchase by the customer of a cross-marketed product;

issuing an electronic coupon to the customer, said coupon identifying the customer and the sales transaction;

storing the price-per-unit-volume discount in a discounts issued database which associates the discount with the customer and sales transaction;

storing, in the discounts granted database, a maximum number of volume units of gasoline to which the discount is applied;

storing, in the discounts granted database, a minimum purchase of gasoline required in order to qualify for the discount;

beginning a sales transaction by entering a customer identification and a transaction identification at a gasoline dispenser;

retrieving the price-per-unit-volume discount from the discounts granted database;

reducing, by the gasoline dispenser, the price-per-unit-volume of the gasoline by an amount equal to the discount;

determining a value of the total discount redeemed;

verifying that the value of the total discount redeemed is less than or equal to the maximum discount allowed;

verifying that the amount of gasoline purchased is greater than or equal to the minimum purchase required to qualify for the discount; and

storing the value of the discount redeemed in a discounts redeemed database.

79. The method of providing a price-per-unit-volume discount on gasoline of claim 78 wherein the step of reducing the price-per-unit-volume of the gasoline by an amount equal to the discount includes the steps of:

determining whether the discount is greater than or equal to the price-per-unit volume of the gasoline; and

setting the price-per-unit volume of the gasoline equal to zero on a gasoline dispenser upon determining that the discount is greater than or equal to the price-per-unit volume of the gasoline.

80. A system for providing multiple level discounts on a price-per-unit (PPU) of a consumable good sold in multiple units to a customer who purchases a plurality of cross-marketed products, said system comprising:

a discounts granted database for storing discounts;

means for calculating a first discount on the PPU of the consumable good in response to a purchase by a customer of a first cross-marketed product;

means for calculating a second discount on the PPU of the consumable good in response to a purchase by the customer of a second cross-marketed product; and

a system which adds the first discount to the second discount to determine a total discount for the customer on the PPU of the consumable good.

81. The system for providing multiple level discounts of claim 80 wherein the consumable good is gasoline, and the first, second, and total discounts are discounts on the price-per-unit-volume of gasoline.

82. The system for providing multiple level discounts of claim 81 further comprising:

a point of sale (POS) terminal that determines the first discount and issues an electronic coupon to the customer, said coupon providing a unique customer identification and a unique transaction identifier; and

transmission means for transmitting the unique customer identification and the discount identification from the POS terminal to the discounts issued database.

83. A system for providing a discount on a price-per-unit (PPU) of a consumable good sold in multiple units to a customer who purchases at least one cross-marketed product, said system comprising:

a point of sale (POS) terminal that awards a first discount on the PPU of the consumable good to the customer in response to a purchase by the customer of a first cross-marketed product, said POS terminal including means for issuing a coupon to the customer, said coupon providing a unique customer identification and a transaction identification;

means for sending the first discount from the POS terminal to a discounts granted database which associates the first discount with the unique customer identification and the transaction identification;

an input device for inputting by the customer in a subsequent transaction, the unique customer identification and the transaction identification;

a sub-system that retrieves the first discount from the discounts issued database; and

means for reducing the PPU of the consumable good by the first discount in response to instructions from the sub-system.

84. The system for providing a discount on a PPU of a consumable good of claim 83 wherein the POS terminal also includes means for awarding a second discount on the PPU of the consumable good to the customer in response to a purchase by the customer of a second cross-marketed product, and the sub-system includes means for adding the first discount to the second discount to determine a total discount on the PPU of the consumable good.

85. A system for providing a price-per-unit-volume discount on gasoline to a customer who purchases a cross-marketed product in a sales transaction, said system comprising:

a point of sale (POS) terminal comprising:

means for awarding the price-per-unit-volume discount to the customer in response to a purchase by the customer of a cross-marketed product; and

means for issuing an electronic coupon to the customer, said coupon uniquely identifying the customer and the sales transaction;

a discounts issued database for storing the price-per-unit-volume discount and uniquely associating the discount with the customer and sales transaction;

transmission means for sending from the POS terminal to the discounts issued database, a maximum number of volume units of gasoline to which the discount is applied, and a minimum purchase of gasoline required in order to qualify for the discount;

an input device at a gasoline dispenser at a gas station for entering a unique customer identification;

a sub-system for retrieving the price-per-unit-volume discount from the discounts granted database, upon associating the unique customer identification with the stored price-per-unit-volume discount;

means for reducing, by the gasoline station, the price-per-unit-volume of the gasoline by an amount equal to the discount;

means within the sub-system for determining a value of the total discount redeemed, verifying that the value of the total discount redeemed is less than or equal to the maximum discount allowed, and verifying that the amount of gasoline purchased is greater than or equal to the minimum purchase required to qualify for the discount; and

a discounts redeemed database for storing the value of the discount redeemed.

86. A method of providing a discount on a price-per-unit (PPU) of a consumable good sold in multiple units to a customer who purchases at least one cross-marketed product, said method comprising the steps of:

awarding a first discount on the PPU of the consumable good to the customer in response to a purchase by the customer of a first cross-marketed product;

issuing a coupon to the customer, said coupon providing a customer identification and a transaction identification;

storing the first discount in a discounts issued database which associates the first discount with the customer identification and the transaction identification;

inputting by the customer in a subsequent transaction, the customer identification and the transaction identification;

retrieving the first discount from the discounts issued database; and

reducing the PPU of the consumable good by the first discount.

87. The method of providing a discount on a PPU of a consumable good of claim 12 wherein the first product is gasoline, and the discount amount is a discount on the price-per-unit-volume of gasoline.

88. A system for providing a discount on a price-per-unit (PPU) of a consumable good sold in multiple units to a customer who purchases at least one cross-marketed product, said system comprising:

- a point of sale (POS) terminal that awards a first discount on the PPU of the consumable good to the customer in response to a purchase by the customer of a first cross-marketed product, said POS terminal including means for issuing a coupon to the customer, said coupon providing a unique customer identification and a transaction identification;

- means for sending the first discount from the POS terminal to a discounts issued database which associates the first discount with the unique customer identification and the transaction identification;

- an input device for inputting by the customer in a subsequent transaction, the unique customer identification and the transaction identification;

- a database controller that retrieves the first discount from the discounts issued database; and

- means for reducing the PPU of the consumable good by the first discount in response to instructions from the database controller.